GOVERNMENT OF INDIA
LABOUR AND EMPLOYMENT
LOK SABHA

UNSTARRED QUESTION NO:3543
ANSWERED ON:18.04.2005
IMPACT ON UNEMPLOYMENT DUE TO MNCs
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Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

(a) whether any study has been conducted to assess the impact of entry of Multinational Companies (MNCs) on the unemployment scenario in the country;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

Answer

MINISTER OF LABOUR AND EMPLOYMENT (SHRI K. CHANDRASEKHAR RAO)

(a to c) No study at All India level has been conducted by Ministry of Labour and Employment to assess the impact of arrival of multi national companies on unemployment. Due to Globalization and Economic liberalization some employment opportunities in the older type of enterprises might have been reduced due to declining efficiency, but at the same time new employment opportunities are created in a number of new areas such as Information Technology, Tourism, Financial Services, etc. On the whole, employment on usual status basis, which was of the order of 374 million in 1993-94 has gone up to 397 million during 1999-2000.